



CITY OF SANDPOINT

PAID TIME OFF (PTO) PLAN (FIRE)

Effective November 1, 2017

A) PTO Plan definition:

- 1) The PTO plan is designed to offer employees flexibility and self-management with their paid time off. Employees will be able to use time in their PTO bank in any way they choose when approved by a supervisor. This allows the employee to plan for the future and can help reduce unscheduled absences. The program is simple and easy to administer.

B) PTO Uses:

- 1) PTO may be used for **any approved** absence. A supervisor must approve scheduled or unscheduled absences before PTO can be utilized.

C) Requesting PTO time:

- 1) PTO time can be taken in no less than ¼ hour increments.
- 2) Scheduled absences (for example; medical appointments, trips, family functions, recreational activities) require prior written approval. Scheduled absence requests should be submitted for approval per department policy. Approvals for scheduled absences are at the supervisors' discretion based on the business needs of the department but will not be unreasonably withheld. In cases of duplicate requests for a scheduled absence outside an annual bidding process, approval will be on a first come first considered basis. For those department that follow an annual bidding process department seniority shall prevail.
- 3) Unscheduled absences (for example; emergencies or calling in before shift with illness/injury), approval must be requested as soon as possible but no later than the 15 minutes after the start of your shift.
- 4) All employees are important to the efficient operation of the department. Our work force is made up of skilled professionals, who put their talents together to make the department the best it can be. Unauthorized absences by any employee create disruption and hardship for all members of the department.
- 5) Unauthorized absences include two types:

- a. Excessive Use: Unauthorized absence is when PTO and CAT accounts are depleted (CAT account considered depleted for this unauthorized absence if CAT account is not accessible because of short absence) of after three (3) prior unauthorized absences (fourth occurrence not number of days) in the prior 12 months. For these types of unauthorized absences, the supervisor will follow progressive discipline (counseling, oral reprimand, written reprimand, suspension termination). Each occurrence (one occurrence can be a number of days when occurrence is an extended absence) of this type of unauthorized absence will advance to the next level of discipline unless stale discipline, utilization of other benefits/programs as identified in Section I (Other Benefits/Programs) or other mitigating circumstances.
- b. Abandonment: Unauthorized absence is when employee fails to notify supervisor of an absence (for example: leaving work during assigned shift without notice/approval, failure to report to work without notice/approval, failure to follow-up/update supervisor of ongoing absence). These types of unauthorized absences are considered an abandonment of one's job and justify severe discipline (suspension/termination).
- c. Unauthorized absences will be without pay.

D) Accrual Rates:

- 1) Any gaps in service will be treated as follows; if rehire/recalled within 18 months after a layoff and if 25% of CAT has not been paid out, CAT account balance will be reinstated. For calculation of years of service for PTO accruals, years of service will be bridged with prior service after a recall / rehire from layoff if prior service was at least five years and the recall / rehire was within three years of separation from City is not as a result of layoff, the above treatment for gaps in service will only apply if rehired within 30 calendar days of separation.
- 2) Accrual rates are based on the following:
 - a. Vacation accruals for years of service
 - b. 192 hours of sick
- 3) Newly hired employees will start to earn PTO time at the rate of 14.40 hours per month and will be prorated if hired on or after the 15th of the month.
- 4) Employees separating from service after the 15th of the month will receive credit for the full month.
- 5) Employees must be in paid status for more than one-half (1/2) of their scheduled work days during the month in to earn credit for PTO time
- 6) Employees working percentage time (permanent part-time) will accrue PTO time on a pro-rated basis.
- 7) Accrual of hours will occur bi-monthly on payroll dates (15th and last day of each month) as follows:

Years of Service	Per Payday	Per Month	Per Year	Maximum (2X Annual)
Less than 1 year	14.40	28.80	345.60	691.20
1 year but less than 2 years	14.60	29.20	350.40	700.80
2 years but less than 3 years	14.80	29.60	355.20	710.40
3 years but less than 4 years	15.00	30.00	360.00	720.00
4 years but less than 5 years	15.20	30.40	364.80	729.60
5 years but less than 10 years	16.00	32.00	384.00	768.00
10 years but less than 15 years	17.60	35.20	422.40	844.80
15 years but less than 20 years	19.20	38.40	460.80	921.60
20 years or more	19.20	38.40	499.20	998.40

E) **Cap/Maximum Accrual:**

- 1) PTO account balance cannot exceed two (2) times the annual accrual rate.
- 2) If the cap is exceeded and no leave is used or cashed out (see Section G - Annual PTO Cash Out/Incentives, leave will not be accrued for that pay period.

F) **CAT (Catastrophic) Account:**

- 1) The CAT account may be used in event of a covered illness (as defined by the City Policy Manual or labor contracts).
- 2) Employees who have a covered illness that will require them to be absent for longer than three (3) working days **per condition**, are required to contact their immediate supervisor and Human Resources to apply for FMLA or other benefits / conditions (including the CAT account) that may apply as a result of their time off. City of Sandpoint Human Resources may require a release to return to work for employee medical absences. The City shall comply with all provisions of the Family Medical Leave Act (FMLA)
- 3) Employees must first use a minimum of three (3) working days of PTO **per condition** before accessing their CAT account.

- 4) Employees are eligible to access and have a balance in their CAT account, will have the option of using CAT hours in lieu of PTO hours, once the three (3) working day minimum is set.
- 5) Employees with a recurring condition may use CAT hours in lieu of PTO hours upon approval of Human Resources.
- 6) CAT account is non-renewable and will be established at conversion only. Additional hours / days cannot be added. Once the CAT account is exhausted, it cannot be utilized again.

G) Annual PTO Cash Out / Incentives:

- 1) Employees must have five (5) years of continuous service in a benefitted position with City of Sandpoint prior to their request for cash out.
- 2) Employees will have the option once per calendar year to cash out hours in their PTO bank above the required minimum balance of 480 hours. The first year this cash out option may be exercised is 2019.
- 3) Cash out can only occur in March of each year.
- 4) Employees with direct compensation (wages, longevity, cell phone or other additional wage items) equal to or more than the current Social Security Old-Age Survivors and Disability Insurance (OASDI) benefit base, are not eligible for a PTO cash out in any form <http://www.socialsecurity.gov/OACT/COLA/cbb.html>. (See attachment A)
- 5) Employees may cash out up to 72 hours per calendar year. Cash out is submitted in 1/4 hour increments.
- 6) Employees must take 72 hours PTO (upon implementation of first year 72 hours of vacation / PTO must be taken) within the 12 calendar months prior to request for cash out.
- 7) Employees may select their cash out in one of the two following methods:
 - a. Additional cash included in their paycheck.
 - b. Direct payment to their 457 Deferred Compensation Account
- 8) Requests to cash out must be annually submitted in writing by January 31st of the year.

H) Separation from Service:

- 1) Upon separation from service for any reason other than retirement, employees will be cashed out at 100% of their PTO balance. Direct payment may be made as compensation, contribution to 457 Deferred Compensation Account or PERSI Choice.
- 2) Upon separation from service due to retirement and the employee has reached 55 years of age or older or has reached their applicable PERSI years of service, the employee will be cashed out at 100% of their PTO balance to a VEBA.
- 3) Upon separation from service for any reason, employees will be cashed out at 25% of their CAT balance (not to exceed \$5,000) to a VEBA.

I) **Other Benefits / Programs:**

1) Workman's Compensation:

- a. Employees will have the option of using CAT, PTO or leave without pay for approved Workman's Comp leaves.
- b. Employees must first use CAT time if it is available. If no CAT hours are available, PTO time or leave without pay may be used.
- c. Monthly income payment is determined by Workman's Comp. Contact Human Resources for information and requirements.

2) Family and Medical Leave Act (FMLA)

- a. Employees who have a covered illness that will require them to be absent for three (3) working days or longer per condition, are required to contact Human Resources to apply for FMLA or other benefits / conditions (including the CAT account) that may apply as a result of their time off. City of Sandpoint may require a release to return to work for employee medical absences.

3) Long-Term Disability (LTD)

- a. Employees will be provided Long Term Disability coverage through the City. This is an employer paid benefit.

4) Short-Term Disability (STD)

- a. The City provides its employees voluntary short-term disability coverage. Premium costs for this coverage are paid by the employee.

J) **Conversion from Current Plan to PTO:**

1) Conversion will occur as negotiated and adopted by the Sandpoint City Council

2) Vacation hours will be converted hour for hour

3) Sick leave from an employee's current balance will be credited up to 192 hours in the PTO bank. Remaining sick leave hours will be placed in a catastrophic (CAT) account.

4) If the combination of vacation, personal days and 192 hours of sick leave exceeds the PTO cap, excess PTO will be cash out down to the CAT.

5) Attachment B can be used to compute the converted PTO balance, CAT balance, and cash out amount.

CITY OF SANDPOINT
PTO POLICY FIRE 2017

ATTACHMENT B

PTO CONVERSION WORKSHEET-FIRE

Vacation Balance as of Conversion Date: _____ Hours

Sick Balance as of Conversion Date: _____ Hours

PTO BANK FORMULA:

_____	Plus	_____	Equals	_____
Vacation Hours		*Sick Hours up to 192		Beginning PTO Balance

*If beginning balance of Sick Hours is less than 192 hours all hours are added to PTO. No CAT account is available.

CATASTROHIC ACCOUNT FORMULA:

_____	Minus	_____	Equals	_____
Sick Balance Hours at Conversion		Sick Hours to PTO Bank		Beginning CAT Account Balance

CASH OUT FORMULA:

_____	Minus	480	Equals	_____
PTO Balance		Minimum Required Balance (480 hours)		Cash Out Hours Available

_____	Times	_____	Equals	_____
Cash Out Hours Available up to 40 hours		Current Hourly Salary rate		Gross Cash Payout

REQUEST FOR FIRE ANNUAL PTO CASH OUT

MUST REMIT ANNUALLY BY JANUARY 31ST

Printed Name

Department

CASH OUT CALCULATIONS:

<u>PTO Balance</u>	minus	<u>480</u>	Equals	<u>Cash Out Hours Available</u>
		Minimum Required Balance		

Cash Out Hours Available (not to exceed 72 hours)	Times	Current Hourly Rate Cannot exceed OASDI base benefit table	Equals	Gross Cash Payout
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Select one:

☐ Cash out included in paycheck

☐ Cash out one-time contribution to 457 Deferred/PERSI Choice/HRA-VEBA (select one)

I hereby certify that I have taken, at least, seventy-two (72) hours of PTO within the last 12-month period to qualify for the PTO Cash Out Program.

Signature

Date _____

FOR OFFICE USE ONLY –

Date of last cash out

Hourly rate (cannot exceed
OASDI base benefit table)

PTO Hours taken within last
12 months

Payroll Clerk Signature

Payroll Date

Date Verified